MANHATTAN DISTRICT HISTORY

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MANHATTAN DISTRICT HISTORY

BOOK IV - PILE PROJECT

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VOLUME 4 - LAND ACQUISITION, HANFORD ENGINEER WORKS

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FOREWORD

This volume has been written for the purpose of placing on record a compilation of the pertinent facts connected with the acquisition of land for the Pile Project, in the State of Washington.

The records of the War Department since the inception of the project, both in the Real Estate Office of the Office of the Chief of Engineers, Washington, D. C., and in the Project Real Estate Office, have formed the principal sources of the data on which this volume is based. These have been supplemented by: (1) consultations, discussions and correspondence with former Project Managers, appraisers, etc., and with the representatives of the War Department who have been responsible for the administration of the project; (2) inspection of the site and the various types of properties of which it is composed.

This volume covers the history of the land acquisition from its inception until 31 December 1946, when the Manhattan District relinquished control to the Atomic Energy Commission. The selection of the site and the criteria on which it was based are described in detail in Book IV, Volume 3, Section 2. Information relating principally to the operation of the real estate after acquisition may be found in Book IV, Volume 1, Section 8. Additional information, and description of events concerned with land acquisition which occurred during operation of the Pile Project, may be found in Book IV, Volume 6, Section 10.

Other phases of the history of the Pile Project are described in:

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Book IV - Volume 1 - General Features

Book IV - Volume 2 - Research

Book IV - Volume 3 - Design

Book IV - Volume 5 - Construction

Book IV - Volume 6 - Operation

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MANHATTAN DISTRICT HISTORY

BOOK IV - PILE PROJECT

VOLUME 4 - LAND ACQUISITION, HANFORD ENGINEER WORKS

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SUMMARY

1. Selection of Site. - The selection of the site for the Pile Project is described in detail in Volume 3, Section 2, of this book. The purposes of the Pile Project (described in other volumes of this book) required land areas with unusual qualifications. The site selected and subsequently acquired fulfilled the required conditions admirably. As determined before land acquisition was started, it was necessary for the Manhattan District to obtain control over the entire Area, but it was not necessary to acquire the entire Area in fee; the desired control was to be exercised in part by fee ownership; in part by leasing and in part by securing so-called "War Emergency Restriction Agreements." Two Gross Appraisals were made, the second of which, presented in a "Supplemental Gross Appraisal Report," dated 23 January 1943, covered the lands ultimately acquired or controlled, comprising a roughly circular area of about 670 square miles, located on the Columbia River, in the State of Washington. Major General L. R. Groves recommended this site, and the acquisition of the necessary deeds, leases and agreements, to the Secretary of War in January 1943. The Secretary of War, exercising the authority vested in him by the President, under the Second War Powers Act and other emergency legislation, issued a directive dated 8 February 1943, (amended 5 June 1944) for the acquisition of the necessary land. The Real Estate Division, Office of the Chief of Engineers, carried out the acquisition project in accordance with its regular methods and procedures.

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2. Description of Site. - The requirements of the project dictated, roughly, that the central core of the site (about 14 miles in diameter) must be acquired in fee; an outer ring surrounding this core (about 4 miles wide) must be leased; the town of Richland and its environs must be acquired in fee; and certain approach areas must be controlled by so-called "War Emergency Restriction Agreements." The area comprised a total of about 428,000 acres, composed of about 127,000 acres to be acquired in fee; 189,000 acres to be leased; 41,000 acres to be covered by restriction agreements; and 71,000 acres previously owned by the Government. In addition it was necessary to acquire permanent easements to certain rights-of-way of highways, transmission lines, etc.

The project was located in the south central part of the State of Washington, in Benton, Yakima, Grant and Franklin Counties, at the confluence of the Columbia and Yakima Rivers. It includes the towns of White Bluffs, Richland, and Hanford.

The site slopes generally from the Rattlesnake Hills, elevation 3500 feet, toward the Columbia River, elevation 400 feet; Gable Mountain, a basalt outcrop, rises 500 feet in the north central part of the area. Temperatures range from plus 114 degrees to minus 27 degrees, with frosts occurring generally between 17 October and 17 April. The average annual precipitation is 5.93 inches, with long, dry summer seasons; snowfall is negligible. The soils are extremely porous and low in organic matter. Most of the area is very low grade sage brush grazing land. Farming is practicable only where the land

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is irrigated.

The population of the site before acquisition was estimated at a total of 1500, averaging 2.2 per square mile. Practically the entire population was engaged in, or dependent upon, farming or ranching.

About 11.3% of the total area, or 49,000 acres, has been conservatively classified as farm land. ~~Eighty-eight~~ 88.2 percent, about 377,000 acres, or nearly the entire balance, was fit only for grazing, and was of inferior grazing quality. Only 0.2% of the total area consisted of town plots. Of the fee acquisition acreage, about 21% was farmland, about 78% was grazing land, and about 0.5% was town plots.

Two Irrigation Districts lay entirely within the project area; the Priest Rapids and the Richland Irrigation Districts. In the Priest Rapids Irrigation District, comprising about 15,000 acres, about 1,100 acres received water in 1942. About 60% of the land within the original boundaries had reverted to the District from private ownership. In the Richland Irrigation District, about 4,700 acres of an original gross acreage of 15,000 were irrigated in 1942.

Crops can be grown on irrigated land only. The principal crops produced prior to acquisition consisted of: peaches, cherries, pears, prunes, apricots, grapes, berries, mint and asparagus. The size and quality of the crops varied widely, dependent upon: topography; fertility of the soil; ability and industry of the owners; age of orchard trees; etc.

A dead end branch line of the C. M. St. P. and P. Railroad, about 35 miles long, was acquired within the area. Other railroads nearby include: the Union Pacific, the Northern Pacific and the S. P. & S. The bituminous paved U. S. - Washington Highway No. 410 touched the area in the southeast corner. A similarly paved county highway ran from U. S. No. 410 to White Bluffs, intersecting an east-west state highway, No. 11-A, at Hanford. A network of graded and gravelled roads served adequately the three towns in the area. All roads in the fee and lease areas were closed to outside traffic. There was no traffic on the Columbia River of any importance at the time of acquisition. A state ferry at Hanford was taken over and operated by the War Department.

In addition to the practically unlimited commercial water supply from the Columbia River, the domestic water systems of the three towns in the area were acquired. Inside the area, the Pacific Power and Light Company maintained a 66 K. V. transmission line and the Bonneville Power Administration maintained a double line of 230 K. V. All the P. P. & L. Co. lines and substations, etc. within the area were acquired. The BPA continued to maintain its lines, subject to any necessary protective measures. The whole of the Columbia River Telephone Company's holdings, serving White Bluffs and Hanford, and that portion of the Kennewick Valley Telephone Company's system which serves the Richland area were acquired.

3. <u>Classification of Lands in the Area</u>. Classification of the lands in the Area by type of previous utilization shows that of the

total acreage 88.2% was grazing land, 11.3% farm land, 0.2% town plots, and 0.3% miscellaneous.

Classification by type of control shows that 35.6% of the total acreage was acquired in fee; 52.8% was leased, 11.4% was controlled by restriction agreements, and 0.2% was subject to permanent easements.

Classification by type of previous ownership shows that 51.1% of the total acreage was owned by private individuals or groups, 10.6% was owned by the State of Washington, 9.6% by the local counties, 1.5% by the Irrigation Districts, 10.7% by the Railroads, and 16.5% by the Federal Government.

4. Acquisition Operations. The high points in the history of this land acquisition project during the important first two years of its progress may be listed chronologically as follows:

2 January 1943:	Completion of preliminary site report.
23 January 1943:	Completion of revised gross appraisal.
8 February 1943:	First directive issued by the Secretary of War (followed by amended directive dated 5 June 1944).
22 February 1943:	Project office opened.
23 February 1943:	Order of possession issued by Federal Judge Lewis B. Schwellenbach.
10 March 1943:	First tract acquired by option.
11 March 1943:	Organized opposition of landowners first evidenced.

23 April 1943:	Federal Court granted order of possession of lease area, effective 15 November 1943.
28 April 1943:	Owners and occupants required to vacate certain so-called "hot" areas of the site, on this date because of military necessity.
4 May 1943:	Open hearing in Federal Court, at which charges were made against the War Department, by lawyers and landowners.
20 May 1943:	First declaration of taking filed.
5 July 1943:	Summary dismissal by the War Department of all remaining property owners from the lands to be acquired.
7 October 1943:	Beginning of first condemnation trial.
24 April 1944:	Meeting at which Col. J. J. O'Brien, Chief of Real Estate Division, OCE, and Mr. Norman M. Littell, Assistant Attorney General in Charge of Lands Division, Department of Justice, agreed to relaxation of restrictions on prices to be approved.
18 September 1944:	Beginning of second set of condemnation trials, conducted by Mr. C. U. Landrum of Department of Justice.

13 October 1944: Mr. Littell delivered speech in Federal Court, requesting the court to set no further cases for trial at that time, and stating that the Department of Justice would make new appraisals.

30 November 1944: Mr. Littell removed from office.

With the end of the year 1944 the major part of the acquisition had been completed. The acquisition work which remained, and continued through the years 1945 and 1946 consisted for the most part of obtaining stipulations and court awards on the most difficult properties, and this work proceeded in a more or less routine manner. As of 31 December 1946, a total of 237 condemnation cases remained still to be settled.

During 1946 a program was instituted for the disposal of 10 tracts of lands not needed for future operations. Disposal of two of these tracts was completed before the end of the year. (See also Book IV, Volume 6, Section 10.)

The following appraisals were made:

a. Gross Appraisal. - This appraisal, revised, dated 23 January 1943, formed the basis for the final selection of the site and the issuance of the directive to proceed with acquisition.

b. Appraisals as of 23 February 1943, the date of issuance of the order of possession under the Second War Powers Act. - These appraisals were made by a body of experienced appraisers, from the Federal Land Bank of Spokane, Washington, the majority of them

residents of the State. All the work was done carefully and in accordance with sound and orderly procedures; the major guides used for determination of values were sales data amassed from previous bona fide sales of properties in and near the project area. The value of crops was not involved because all crops were dormant as of 23 February.

c. Appraisals as of Dates of Taking: - These were made by the same appraisers after it was agreed that values as of date of taking should be used instead of values as of 23 February 1943. The date used was either the date the declarations of taking were filed or the date of taking physical possession, whichever was earlier. These appraisals consisted of revisions of those previously made, principally in order to recognize crop values and the upward trend of property values generally.

These appraisers were later the subject of severe criticism, which the records show was not justified.

d. Re-appraisals by Department of Justice under the direction of the Assistant Attorney General. - These are the new appraisals referred to by Mr. Littell in his speech in court on 13 October 1944. They were made without consultation with the War Department.

The negotiations, for securing options and stipulations out of court, were carried on by a staff which was entirely separate from the appraisers, to avoid all possibility of collusion and fraud. The negotiators were likewise subjected to criticism, but there is no evidence to show that this was justified. The methods and

procedures defined by the War Department were complied with strictly; although the negotiators were naturally anxious to close their deals quickly there is no evidence that they were unduly zealous.

The principal specific difficulties which handicapped the acquisition procedures, tended to prevent fair agreement with the land owners and tended to produce inordinately high prices, may be summarized as follows:

a. The secrecy of the project, which resulted in uncontradicted rumors that the land was being acquired for the use of the prime contractor on the project, the duPont Company, and that the right of eminent domain was being misused for the benefit of private enterprise.

b. The postponement of taking possession of the land at the time of issuance of the order of possession, 23 February 1943.

c. The increasing values of crops and land.

d. The existence of the irrigation districts (as nuclei for organized opposition) and the complications which they caused.

e. Various additional unfounded rumors, such as waste of public funds and unfair treatment of landowners with respect to employment on the project.

f. The requirement of complete control of all crop harvesting. This resulted in the summary expulsion of all remaining property owners on 5 July 1943.

g. The agreement with Prison Industries, Inc., for the care and harvesting of crops, causing discontent and hostility of

former owners,

h. The accusations of high pressure tactics, unfairness, errors, etc., against the War Department and its appraisers and negotiators, which were stated in court and elsewhere and widely published.

i. Delays in partial payments to the former property owners, caused in considerable part by factors over which the War Department had no control, such as the insistance of the Court upon completely clear titles before granting partial distribution of funds.

j. The condemnation trials, the attitude of the juries, and the manner in which these trials were handled by the Department of Justice.

For the most part, these handicaps were inherent in the nature of the project and its conditions, and were, as stated by the Assistant Attorney General himself, "beyond anyone's control."

Except during a comparatively brief stage of the project's history, when the Assistant Attorney General found fault with the War Department, the usual normal relationship, with efficient cooperation, between the War Department and the Department of Justice, was maintained. This relationship is analogous to that of the usual client and counsel. The War Department on its own responsibility accomplished all the earlier direct purchases by option (requiring only the approval of the Department of Justice as to the validity of titles); the Department of Justice handled all court action on behalf of and with the approval and cooperation of the War Department.

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The criticisms and charges against this land acquisition project, and against the War Department's methods and its appraisers and negotiators, emanated from numerous sources; in many cases they were directly traceable to the land owners or their attorneys, and at one time, as previously noted, to the Assistant Attorney General. The injustice of these charges is readily demonstrable.

5. Progress of Acquisition. - Despite all handicaps and difficulties the progress of the work of acquisition in fee, of leasing and of obtaining restriction agreements and permanent easements was, as a whole, reasonably good, and during some stages of the work it was excellent. The progress charts for acquisition in fee show, in parts, the effects of the various influencing events.

The work of obtaining leases, restriction agreements and permanent easements was a secondary matter, subordinated to the all-important work of fee acquisition. It was carried on only when the negotiators had time available. Nevertheless the work was done efficiently and with satisfactory speed, as the progress charts show.

6. Leases, Restriction Agreements and Permanent Easements. - The total area to be leased comprised about 188,878 acres in 866 tracts, representing approximately 500 owners. The total annual rental was estimated as about $20,000 or an average of about 10.6 cents per acre. The order of possession was issued 23 April 1943, to take effect 15 November 1943, the date desired to fulfill the requirements of the project. The leases provide renewal terms which could, at the will

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of the Government, run for 25 years but could be cancelled by the Government on 90 days notice.

The Restriction Agreements, set up for security purposes, were to continue for the duration of the emergency and six months thereafter, but could be terminated earlier by the Government.

The total area to be covered by the Restriction Agreements comprised about 40,660 acres, in 258 tracts representing more than 100 owners. A standard price of $1.00 per tract was established, but joint ownerships required some duplications. The total cost was $223 or about .5% of a cent per acre. Negotiation of these agreements was completed about 1 November 1944.

It was necessary to acquire permanent easements, held by various types of owners, for highways, transmission lines, telephone and telegraph lines and railroads, on a total of 651 acres, in 85 tracts, from 34 owners.

7. Estimated Costs. - The estimated total cost of the entire land acquisition project as of 31 December 1946 was $5,148,462. This total includes estimated allowances for the costs of the 237 tracts which were still awaiting determination of court awards at the end of 1946; but it does not include administration costs, nor the annual rental costs for leased lands.

This estimated total cost may be compared with the estimate which accompanied the directive for acquisition, as amended 3 June 1944. Deducting from that estimate, which totalled $8,453,355, two large contingent items which did not materialize, gives a remainder, for comparison, of $5,653,355, indicating that the actual cost will probably

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be less than that estimate.

8. Accomplishments. - The accomplishments of those responsible for this project included the attainment of the necessary ownership or control over a large site excellently suited to the requirements, within the required period of time and at a reasonable cost, while surmounting many difficulties and obstacles.

Although a few landowners suffered hardships, and a few, on the other hand, obtained excessive prices for their property, these occasional inequities were caused primarily by unusual conditions beyond the control of those in charge, and the possibilities of avoiding some of them are revealed by hindsight only. The noteworthy fact is that the land acquisition project as a whole was consummated efficiently, fairly and economically.

MANHATTAN DISTRICT HISTORY

BOOK IV - PILE PROJECT

VOLUME 4 - LAND ACQUISITION, HANFORD ENGINEER WORKS

SECTION 1 - SELECTION OF SITE

1-1. Purpose. - The purpose of the Hanford Engineer Works project, which was constructed on the chosen site on the Columbia River, in the State of Washington, is described in other volumes of this book. Suffice it to say here that when the project was conceived the Manhattan District determined to obtain control, for the purposes of the project, over land areas which would conform to certain predetermined conditions. This control was to be exercised in part by fee ownership, in part by leasing, and in part by securing so-called "War Emergency Restriction Agreements" from the landowners, all as described hereinafter. Among the general conditions prescribed for the desired Area were: (a) that it should be removed from concentrated centers of population; (b) that it should be sparsely populated; (c) that it should, as a whole, be reasonably accessible to existing transportation facilities, water supply and power supply; (d) that no main railroad or important main highway should cross the area; (e) that it should be as inexpensive and little suited for other purposes as possible.

1-2. Choice of Site. - The "Site Criteria and Selection" are described in detail in Book IV, Volume 3, Section 2. After Consideration of the site report therein described, a Gross Appraisal was made of the Hanford site, covering an area, very roughly circular in shape,

comprising a total of approximately 670 square miles. An area of approximately 1,290 square miles was originally considered and this area was covered by a first Gross Appraisal Report, dated 21 January 1943; this report was quickly followed by a Supplemental Gross Appraisal Report, dated 23 January 1943, covering an area of about 670 square miles, or a little more than one-half the area originally considered. It was substantially the area covered by this latter report which was ultimately acquired or controlled. (See Appendices E-1, E-2.)

Upon determination that there was an ample supply of electric power available at the Hanford site, upon the basis of the Site Report dated 2 January 1943 and the Gross Appraisal Reports, dated 21 January and 23 January 1943, and after personal inspection, Major General L. R. Groves recommended this site, and the acquisition of the necessary deeds, leases and agreements thereto, to the Secretary of War in January 1943. That this site fulfilled the predetermined requirements and conditions exceptionally well is amply demonstrated by the description hereinafter in Section 2. (See Appendix B.)

An additional advantage of this site, which had not been predetermined, was that the water supply, from the Columbia River, was exceptionally pure and free from corrosive minerals. This made it possible to use the river water, without complicated chemical treatment, for cooling purposes during the Pile operations. (See also Volume 3 of this book.)

The site as a whole, including all land acquired in fee, leased, and made subject to the restriction agreements, as well as the land

which was already owned by the Government, is hereinafter referred to as the "Area".

1-3. Authorization for Acquisition. - Title II of the Act of 27 March 1942, (Public Law 507, 77th Congress), known as the Second War Powers Act, authorized the Secretary of War to acquire by purchase, donation, transfer, or condemnation, any real property, temporary use thereof, or other interest therein, together with any personal property thereon, or used therewith, that shall be deemed necessary for military or other war purposes. The Act of 2 July 1942 (Public Law 649, 77th Congress), known as the Military Appropriations Act, 1943, appropriated certain funds for the Engineer Service, Army, to be expended in part upon the acquisition of lands, rights-of-way, temporary use thereof, and interests therein. The Act of 1 July 1943 (Public Law 108, 78th Congress) also made available funds for similar purposes. Authorization for the acquisition was contained in the first Act, and funds were made available under the second and third.

Under the authority vested in him by these Acts, the Secretary of War issued a directive dated 8 February 1943, No. WX-G 2161, authorizing acquisition of the necessary land. This directive was amended 5 June 1944 by Directive No. WX-G 3065. (See Appendix C-1).

As arranged between Major General L. R. Groves and Colonel (later Brig. Gen.) J. J. O'Brien, Chief of the Real Estate Division, OCE, that Division carried out the acquisition project in accordance with its regular methods and procedures.

SECTION 2 - DESCRIPTION OF SITE

2-1. Size. - The Area which formed the site of this project represented one of the largest single land acquisition undertakings of its kind ever known in this country, especially in number of tracts and in number of owners. The Area comprised a total of about 428,000 acres, composed of (approximately): 127,000 acres to be acquired in fee; 189,000 acres to be leased; 41,000 acres to be covered by restriction agreements; and 71,000 acres previously owned by the Government. (It was also necessary to acquire permanent easements to a total of 651 acres, for highways, transmission lines, etc.) A total of 3,218 tracts, representing nearly 2,000 owners, was involved.

As noted, the site as a whole was very roughly circular in shape; it was equivalent in area to a circle about 29 miles in diameter.

Map No. 1, Appendix A-1, shows the size and location of the site. It also shows by boundary lines and letter designations the various control areas, as they were originally planned (approximately):

Areas "A" and "D": to be acquired in fee;

Areas "B" and "E": to be leased;

Areas "C": to be covered by restriction agreements.

These boundaries indicate clearly the general scheme of control required for the site, comprising, roughly: a central core, about 14 miles in diameter, to be acquired outright; an outer ring surrounding this core, about 4 miles wide, to be leased; certain approach areas to be controlled by the "War Emergency Restriction Agreements"; and the whole of the town of Richland and its immediate environs to be acquired in fee. (In addition, permanent easements were to be acquired to certain

rights-of-way of highways, transmission lines, etc.)

2-2. Location. - The project is located in south central Washington at the confluence of the Yakima and Columbia Rivers, and includes parts of Benton, Yakima, Grant, and Franklin Counties, as well as the towns of White Bluffs, Richland and Hanford. The most westerly boundary of the site is twenty airline miles east of Yakima, a city of 23,000 population.

2-3. Topography, Climate, Soil. - The Area is bisected by the Columbia River and the land slopes generally toward the river with elevations varying from 3,500 feet to about 400 feet. The highest elevation is that of the Rattlesnake Hills that rise abruptly in the southwest part of the Area. The lowest elevation is that of the Columbia River.

The site is further characterized by an isolated basalt outcrop in the north central part which rises 500 feet above the surrounding area, known as Gable Mountain, and the eastern bank of the Columbia which is a rather precipitous cliff of 300 to 400 feet in height. The principal part of the Area may best be described as a plain of undulating to gently sloping topography with a mean elevation of approximately 600 feet.

Temperatures range from a maximum of 114 degrees to a minimum of 27 degrees below zero. Rarely is the minimum reached whereas the maximum is more often experienced in the usual long, dry summer season. April 17 is the average date of the last killing frost and October 17 of the first killing frost, giving an average growing season of 183

days. The crop maturing season is generally earlier than for most sections in the inter-mountain region.

The average annual precipitation was reported by the United States Weather Bureau to be 5.93 inches at Hanford, with a maximum of 9.92 inches and a minimum of 3.58 inches. The snowfall at the lower elevations is negligible.

Soils of the area are derived from basalt, old lake floor and stream bed deposits, and more recent wind blown material. The residual basalt forms Gable Mountain. The principal soil at the 1,000 foot elevation is a wind deposited friable loam known as the Ritzville series. Old lake deposits occupy the 500 to 1,000 foot elevation. Stream bottom materials derived from glacial outwash and river flood deposits comprise a large part of the Area. Stream laid soils cover a small area on the lower terraces. The principal soil series in the Area are Winchester sand, Ephrata sand, Beverly very fine sandy loam and Pasco fine sandy loam. These soils are low in organic matter, and the bulk of the Area may be characterized as very low grade sage brush grazing land, the rainfall being sufficient only for desert growth. Farming is practicable only in those portions of the Area which are irrigable. Even here the tillable topsoil, ranging in depth from six inches to two feet, is underlaid by gravel. The porous nature of the land made it necessary to conduct irrigation water in concrete ditches and pipes if serious losses were to be avoided. The balance of the site was suitable only for grazing, there being no timber and very little vegetation.

2-4. Population. - Three towns were encompassed by the site: White Bluffs, with a population of 200; Richland, with a population of 200,

and Hanford, with a population of 100. In addition, there were probably a thousand others living within the project boundaries, making a total of approximately 1,500 persons, or an average of about 2.2 per square mile. Nearly all the residents were engaged in, or dependent upon, farming or ranching for a livelihood.

2-5. Utilization of the Land.

a. Grazing Land. - An overwhelming preponderance of the Area as a whole (including the fee, lease and restriction agreement areas), about 378,000 acres, or more than 88%, consisted of the so-called grazing, or range land. A general idea of the appearance of this land can be obtained from some of the photographs in Appendix D-1. For the most part the only natural vegetation which this land supported was sage brush, with here and there bits of cheat grass growing under the shade of the sage brush. Parts of this land consisted also of the volcanic outcrops of Gable Mountain and Rattlesnake Hills, which supported no vegetation whatever.

The Department of Agriculture estimated that 120 acres of the grazing land were required to support one animal "unit" (5 sheep) per year. This is indicative of the inferior grazing character of the land.

The range land was used primarily for sheep in the winter and spring seasons. Some 18,000 to 20,000 head of sheep could formerly be found in the Area from December to May. During this period the land supplied full feed for about two months, and partial feed for about one and a half months. During the balance of the period feed was supplied

from outside sources. The irrigated land supplied no material amount of feed for sheep or cattle. Approximately 10,000 sheep crossed the Area from April to May on the way to the summer range. Not more than 300 head of cattle and a negligible amount of other stock could have been found in the Area before acquisition.

About 99,000 acres of the grazing land had to be acquired in fee, representing about 78% of the total fee acreage.

b. Farm Land. - About 49,000 acres, or 11.3% of the Area as a whole, consisted of irrigated, or irrigable, farm land, but not all of this land was under cultivation. Some general views of typical fields and orchards may be found in Appendices D-1, D-2 and D-3; the last two also show a number of views of typical farm buildings: dwellings and outhouses. Some of the farm lands had been abandoned in past years; some of the orchards had been cut down.

Most of the irrigated land, and therefore most of the farm land, was located in the irrigation districts hereinafter described. The land to be acquired in fee contained about 27,400 acres of the farm land, or about 21% of the total fee acreage. The rest of the farm land was located in the lease and restriction agreement areas.

c. Town Plots. - About 680 acres, or less than two tenths of one percent of the entire Area, consisted of town plots. Except for a few of the special properties these were all located in the communities of White Bluffs, Hanford and Richland. The special properties included such items as a cold storage plant, a power plant, and various other utility properties, as well as schools, churches, cemeteries, etc.

All the town plots had to be acquired in fee. They represented about one half on one percent of the total fee acreage.

d. Miscellaneous Land. - About 1100 acres, the balance of the entire area, or about one quarter of one percent of the whole, has been classified as miscellaneous land, consisting for the most part of rights-of-way and narrow strips of river shore lands, islands, etc., for which there is no known use, except as a means of access to the river.

The miscellaneous land was scattered through the fee, lease and restriction agreement areas.

Map No. 2, Appendix A-2, shows the approximate location and extent of the portion of the Area in each of the categories described above. It shows at a glance the startling preponderance of the cheap grazing lands and the small proportion of the town plots.

2-6. Irrigation Districts. - At the time of acquisition there were two Irrigation Districts operating within the Area: The Priest Rapids District and the Richland District. (In addition, comparatively small areas of land irrigated by the Sunnyside, Kiona, Riverland and Kennewick Irrigation Districts are located in those portions of the Area which have been neither acquired nor leased but have been made subject to the so-called "War Emergency Restriction Agreements.")

a. Priest Rapids Irrigation District. - This District was located in the north central part of the Area, around and between the towns of Hanford and White Bluffs. The development of the District was started by the Black Rock Irrigation and Power Co., succeeded in

1907 by the Hanford Irrigation and Power Company, with a power plant at Priest Rapids, of which part of the power was used to pump irrigation water from the Columbia River to the lands in the District. The Priest Rapids Irrigation District began to function as successor to the Hanford Irrigation and Power Co., and sole owner of the hydro-electric system and the water distribution system, in 1932. The District lands comprised about 15,000 acres, but 7,000 acres were non-irrigable and in 1942 only about 1,100 acres actually received water. The facilities of the District originally delivered 32 acre inches of water per season, but this was later increased to 96 acre inches, primarily because of transmission losses of 50 to 65% of the water pumped through canals to the farms over sandy soils. This District had had considerable financial difficulties in past years and at the time the project started about 60% of the land within its original boundaries had reverted to the District from private ownership. The entire District and all its facilities, including the power plant, lay within the Area.

b. Richland Irrigation District. - This District was located approximately 10 miles northwest of the town of Pasco in the southeast part of the Area, adjacent to the Columbia River, near the junction with the Yakima River flowing in from the west. The District was operated under private ownership from 1909 to 1919. It was organized as an irrigation district in 1919 and was operated as such until acquisition, first under the name Horn Rapids Irrigation District and later, Richland Irrigation District.

The gross acreage of the district as formed was approximately

15,000 acres, but about 4,500 acres were excluded from possible irrigation, and only about 4,700 acres of the balance were actually irrigated in 1942.

Irrigation water is diverted from the Yakima River by a diversion dam located within the Area, at the point indicated on Map No. 1, Appendix A-1. The entire District and all its facilities lay within the Area.

2-7. Crops. - Crops can be grown on the irrigated land only. The crops grown in the irrigated portions of the Area at the time of acquisition included principally: peaches, cherries, pears, prunes, apricots, grapes, berries, mint and asparagus. A limited amount of grain and some alfalfa were produced. Early potatoes, corn and melons constituted the principal row crops, but the yield was low and only small quantities were produced.

Nevertheless, it was reported in January 1943 that truck crops showed promise of increasing because of the anticipated operation of the Santa Cruz cold storage and packing plant at White Bluffs. It was also reported at the same time that grapes, for wine and juice manufacture, and asparagus plantings had been increasing; that mint had been recently introduced into the Area and had given substantial returns; and that the irrigated lands supported some poultry, dairy cattle and farm flocks of sheep.

The porosity of the soil usually made the problem of drainage of the irrigation water a simple one. Wherever the drainage conditions were unfavorable, however, the utility of the soil for crops was in

danger of being destroyed by alkaline deposits. When this occurred, it became a lengthy process to bring back the fertility of the soil.

The size and quality of the crops produced varied widely in different parts of the irrigated lands, for a variety of reasons, including:

a. Topography: the "lay of the land", and the consequent efficiency of the irrigation;

b. Fertility of the soil;

c. Care of perennial crops by the owners;

d. Age of orchard trees, etc.

Crop lands could be found in almost every possible state, from highly and skillfully cultivated lands in excellent condition to completely run-down and abandoned lands. These variations necessarily affected the problems of appraisal and made the determination of values more difficult.

2-8. Transportation Facilities.

a. Railroads. - A branch line of the C. M. St. P. & P. Railroad extended from Beverly station on the main line, along the Columbia River to a dead end at Hanford. About 35 miles of this branch line lay within the Area, permitting the acquisition of this portion of the line without disruption of traffic. The Union Pacific Railroad passed for about 4 miles through the restriction agreement portion of the Area, near Benton City. In addition, access could be made available nearby to the N. P. Railroad at Benton City, Kennewick and Pasco, and the S. P. & S. Railroad, at Pasco.

b. Roads. - The bituminous paved U. S. - Washington Highway

No. 410 touched the Area in the southeast corner. There was also a similarly paved county highway entirely within the area, running from U. S. No. 410 to White Bluffs and intersecting a graveled secondary state highway No. 11-A at Hanford. The latter traversed the entire Area on an east-west course, and was the principal route for traffic to Yakima before acquisition.

The portions of the Area in the neighborhood of Richland, Hanford and White Bluffs were adequately served, at the time of acquisition, by networks of graded and graveled roads. Elsewhere, where the terrain is rugged, there was a minimum of road development.

Roads located within the fee area and the lease area were closed to outside traffic. Those within the areas of restriction agreements were left open; the Government retained the right to control, maintain and improve the State Highway through these areas.

e. River Traffic. - Many years ago Columbia River transportation was the primary method of access into this area, but at the time that acquisition started the river traffic above Pasco had become practically nil. Priest Rapids, at the northwest corner of the Area, prevented river traffic into the Area from the north. Prohibition of traffic on the Columbia River within the Area created no hardship.

A free ferry was maintained by the State of Washington at Hanford up to the time of acquisition, for the transportation of traffic across the Columbia River. This ferry was acquired, with all its equipment, and was operated under the control of the Manhattan District.

2-9. Utilities.

a. Water Supply. - The town of Richland was served by a small private domestic water system and the towns of White Bluffs and Hanford were served by non-profit companies. All three of these systems were acquired.

The Columbia River, with its northward and southward bends passing through the north central part of the Area, half encloses the heart of the Area. The quantity of the water available from this river is practically without limit at all times of the year, insofar as any ordinary commercial uses are concerned. The site was therefore provided with a more than ample commercial water supply, conveniently accessible from all parts of the Area.

b. Electric Power. - Prior to acquisition, electric service was available to all towns and to a substantial part of the farms in the irrigated sections of the Area.

The Pacific Power and Light Co. maintained a 66 K.V. transmission line from Richland north to Hanford and White Bluffs and west to the power plant of the Priest Rapids Irrigation District. This Company also had a line running north from the Priest Rapids Irrigation District power plant to Beverly, and a line connecting with this system in the vicinity of Vernita, which ran west to Moxee City and Yakima; also, an interconnection with the Bonneville 115 K.V. Walla Walla line west of Hanford. This latter line connected with the company's substation at Hanford and served the line to Taunton, Washington, running through the Area in the general direction of Othello, in Adams County. The Pacific Power and Light Co. also maintained a substation

at Richland.

The Bonneville Power Administration had a double line of 230 K. V. each running between Bonneville and Coulee Dams, which traversed the northwest part of the Area. These lines were on steel towers. This Administration had a substation inside the Area at Midway near its western boundary (in Section 14, township 13N, range 24E.). A Bonneville transmission line of 110 K. V. extended from the Midway substation east to Hanford thence southeasterly through the Area en route to Walla Walla, Washington, connecting with the P. P. & L. Co. substation at Hanford; another 110 K. V. line ran from Midway east through the Area en route to Ellenburg.

The Pacific Power & Light Co. lines within the Area, together with all substations and related properties, were acquired.

All the Bonneville Power Administration's lines remained in place, under an agreement whereby the Administration maintained the lines, subject to any necessary protective measures.

c. Telephones. - There were two private telephone franchises operating within the Area at the time of acquisition: the Columbia River Telephone Co., serving White Bluffs and Hanford; and the Kennewick Valley Telephone Co. whose territory included the Richland area. The entire holdings of the Columbia River Telephone Company and that portion of the Kennewick Valley Telephone Co.'s system which served the Richland area were acquired.

2-10. Fulfillment of Requirements. - The description given in the preceding paragraphs of this section is intended to give a general

outline of the site, as it was at the time of acquisition. Regardless of any other considerations, this description shows clearly that the site fulfilled the predetermined conditions extremely well and that its selection was a wise one. In size and shape, seclusion, sparseness of population, accessibility, water supply, power supply and economy - in every requirement - the site was indeed excellent.

An additional factor contributing to the economy of this site which should not be overlooked was the large proportion of the land which was already owned by the Government. As noted in paragraph 2-1 above, 71,000 of the 428,000 acres in the Area, or about 16.5%, were Government land; moreover, much of this Government land was in that part of the Area of which fee acquisition was required (See Map No. 3, Appendix A-3). In that part of the Area about 17.8% of the total was Government owned, and thus required no expenditure for purchase.

Regardless of the difficulties encountered during acquisition and regardless of the various events which contributed to increases in the cost to the Government, it is doubtful if any similar area of land could have been found elsewhere in the United States which gave promise of such low total cost as was indicated for this Area. (For details of site description, see Appendix E-3.)

SECTION 3 - CLASSIFICATION OF LANDS IN THE AREA

All lands in the Area have been classified into three sets of categories: (1) by type of previous utilization; (2) by type of control; and (3) by type of previous ownership. (See Appendix C for tabulations of all these classifications and Appendix A for maps showing the areas involved in each.)

3-1. Classification by Type of Previous Utilization. - The totals in each classification of this type, Town Plots, Farm Land, Grazing Land, Miscellaneous Land, are given in the tabulation below and are shown on Map No. 2, Appendix A-2.

Classification	Tracts		Acreage	
	Number	%	Number	%
Town Plots	496	15.4	679.71	0.2
Farm Land	1008	31.4	48,956.05	11.3
Grazing Land	1589	49.4	377,468.19	88.2
Miscellaneous	125	3.8	1,099.70	0.3
Grand Total	3218	100.0	428,203.65	100.0

(Reference is made to paragraph 2-5 above for discussion of this classification.)

3-2. Classification by Type of Control. - The approximate totals in each classification of this type, fee, lease, restriction agreement, and a comparatively small area covered by permanent easements, are mentioned in paragraph 2-1 above. These classifications may be more accurately tabulated as follows:

Classification	Tracts Number	%	Acreage Number	%
Fee	2008	62.4	127,396.96	35.6
Lease	866	27.0	188,878.00	52.8
Rest. Agr.	258	8.0	40,660.39	11.4
Perm. Easement	85	2.6	651.30	0.2
Total	3217	100.0	357,586.65	100.0

To these may be added the lands already owned by the Government, to produce the totals for the whole project:

Government	1	70,617.00
Grand Total	3218	428,203.65

Map No. 3, Appendix A-3, shows the locations of the lands in each of these categories. (The Permanent Easement Areas are indicated by designations of railroads, highways, telephone lines, etc.). The base map shows also by heavy black boundary lines and lettered designations the various control areas as originally planned (see paragraph 2-2 above). In special cases, as shown on Map No. 3, the type of control was changed from a lower to a higher category: from restriction agreement to lease; from lease to fee acquisition.

3-3. Classification by Type of Previous Ownership. - The totals in each classification of this type may be tabulated as follows:

Classification	Tracts Number	%	Acreage Number	%
Private	2567	79.6	218,705.54	51.1
State of Washington	181	5.7	45,596.34	10.6
Counties	265	8.3	41,117.95	9.6
Irrigation Dist.	195	3.0	6,381.86	1.5

Classification	Tracts Number	Tracts %	Acreage Number	Acreage %
Railroads	109	3.4	45,784.96	10.7
Government	1	---	70,617.00	16.5
Total	3218	100.0	428,203.65	100.0

Map No. 4, Appendix A-4, shows the locations of the lands in each of these categories.

SECTION 4 - ACQUISITION OPERATIONS

4-1. History. (See Appendix E-20.)

a. A revised gross appraisal of the site was made 23 January 1943, and the land to be acquired in fee, to be leased, and to be covered by Restriction Agreements was determined therefrom. The revisions required during the process of acquisition were few and minor; they consisted principally of the shifting of some properties from the lease to the fee category because of some special consideration, and the shifting of some properties from the restriction agreement to the lease category (when agreement to the required restrictions was unobtainable because of unknown address or refusal by the owner). The first directive was issued by the Secretary of War on 8 February 1943, followed by an amended directive 5 June 1944. (See Appendix C-1.)

b. The project office was opened in Prosser, Washington, 22 February 1943 and acquisition started shortly thereafter. On the same date the Washington Title Insurance Company opened an office in Prosser, to furnish title certificates. The first step was to secure the issuance of an order of possession under the Second War Powers Act, by Federal Judge Lewis B. Schwellenbach, dated 23 February 1943. The next steps were the accumulation of sales data and the appraisal of all properties to be acquired. The first tract was acquired by option 10 March 1943. The title certificate on this tract was delivered on 15 March 1943, and the owner was paid on 30 April 1943.

c. The first indication of difficulties and complications in this land acquisition project, which was one of the largest in

history, especially in number of owners and number of tracts involved, occurred on 11 March 1943, almost at the very beginning of the actual accomplishment. On that date Mr. Mark Moulton, a lawyer representing the Irrigation Districts, called at the project office and discussed compensation to landowners for the assets of the Districts. This lawyer's firm, Moulton and Powell, later represented a number of the individual property owners in seeking to secure for them high court awards. The irrigation districts, with their existing organizations of property owners, were perfect nuclei for rallying the opposition.

d. Good progress was made in obtaining options, but difficulties continued to accumulate. The Government did not take immediate possession, because the project did not demand it, and because it was desired to reduce the hardship to the property owners in every way possible and to save food by permitting as many as possible to harvest their crops of that year before moving. In consequence it was determined that the appraisals of properties not yet optioned must be revised to show redetermined values as of the actual date of taking, to include the values of the crops as of that date. With an exceptionally good crop year and continuously increasing crop prices, this gave the owners an excellent opportunity to claim fantastic values. The whole situation unfortunately worked out to the great disadvantage of the project and to the increasing dissatisfaction of all concerned. With some properties taken over by the Government and others, perhaps adjoining, still occupied and farmed by the previous owners, a confused situation existed, culminating in a move by the War Department, 5 July 1943, which added fuel to the flames. This was the summary

expulsion, from the lands to be acquired, of all the remaining property owners. This move was made in entire good faith, for the purpose of removing the confusion which existed and insuring complete control over all harvesters.

e. Additional factors which contributed to the dissatisfaction of the landowners and the handicaps of the War Department included: delays in making payments to the owners; and uncertainties and delays in determination of the proper procedure with relation to the complicated matter of outstanding Irrigation District bonds. Delays of this kind affected the entire operation, by militating against straight-forward and efficient dealings with the landowners, especially during the early stages of the project, before the opposition had crystallized. (See Appendix E-6.)

f. Meanwhile, the opposition had been encouraged by occurrences in the Federal Court. At an open hearing in the Court on 4 May 1943, Mr. Charles A. Powell (of the law firm representing the landowners) and some of the owners themselves made charges against the War Department. The charges included claims that the War Department's appraisals were unfair and improper and that the negotiators for the Department were using high-pressure tactics.

g. The situation became really serious when the jury trials were held and the inordinately high awards to the landowners began. In all court proceedings the War Department was represented by the Department of Justice, acting through Mr. Norman M. Littell, Assistant Attorney General in charge of the Lands Division of that Department.

[redacted]

The first condemnation trial began on 7 October 1943. The resulting awards set fictitiously high values not only for the properties but for the crops and established the conviction in the minds of many of the remaining property owners that they would obtain more for their properties in court than they could by direct negotiation. The difficulties of the land acquisition project were increased immeasurably.

h. Settlement by stipulation out of court, even on the basis of the revised appraisals, became increasingly difficult, until, on 24 April 1944, Col. J. J. O'Brien, Chief of the Real Estate Division of the Office of the Chief of Engineers, and Mr. Littell made agreement to relax the procedures then governing the project. It was agreed, in the interest of the Government and in order to help to save the high expenditures now foreseen for all court awards, that prices up to $1.50 per acre for all remaining grazing lands would be approved, and that payments up to 20% in excess of the highest appraisal values of the War Department or the Department of Justice, on any agricultural properties, would be approved. It was believed that increases up to 20% were thoroughly justified because of the estimated savings in court costs; they in no way indicated any alteration of the appraised values.

i. Another series of condemnation trials began 18 September 1944, conducted by Mr. C. U. Landrum of the Department of Justice. These established even more fantastic values, and some of the cases showed the unusual result of awards even higher than the highest testimony presented by the representatives of the owners. For three such cases appeal was recommended. There was evidence that the juries

[redacted]

were biased in favor of the landowners.

j. On 13 October 1944, Mr. Norman M. Littell appeared in the Federal Court and delivered a speech to Judge Schwellenbach which bristled with denunciation and criticism of the War Department and the manner in which it had handled this project. (See Appendix E-4.) In this speech, he requested the Court to set no further cases for trial at this time, stating that the Department of Justice was making new appraisals of the remaining tracts to correct the errors of the War Department and its appraisers. Although Mr. Littell's dissatisfaction had been foreshadowed by a letter to Under Secretary of War Patterson, dated 28 September 1944, this speech was a surprise to the War Department (See Appendix C-10.)

k. On 30 November 1944, Assistant Attorney General Littell was removed from office, and thereafter the project was benefited by more effective cooperation between the Department of Justice and the War Department.

(For further description, and explanation, of the charges against the War Department, see paragraph 4 of this section.)

l. With the end of the year 1944 the major part of the acquisition had been completed. The acquisition work which remained, and continued through the years 1945 and 1946, consisted for the most part of obtaining stipulations and court awards on the most difficult remaining properties. This work proceeded in a more or less normal and routine manner, and, inevitably, at a slower pace, as shown in a later paragraph of this section. After 1944 it was hardly possible to obtain any more options: on 15 December 1943, 688 options had

[redacted]

been reported, as compared with the total of 701 options as of 31 December 1946. Indeed, for reasons previously indicated, it had become almost impossible to obtain options at an even earlier date, as a total of 678 had been reported on 8 October 1943. All but 4 of the total of 258 restriction agreements had been obtained before 1 January 1945, and the last restriction agreement was obtained about three months later. As of 15 December 1944, 746 leases of the total of 866 had been reported. Obtaining these 140 additional leases and about 420 additional stipulations or court awards on fee lands constituted nearly the whole of the acquisition work during 1945 and 1946. As of 31 December 1946, a total of 237 condemnation cases remained still to be settled.

m. During 1946 a program was instituted for the disposal of some comparatively small tracts of the lands previously acquired, as these tracts were not required for the proposed future operations of the Pile Project. This disposal program included 10 tracts of grazing and farm land (one of them covered by restriction agreement) comprising a total of about 546 acres, the largest tract being 159 acres. As of 31 December 1946, disposal had been effected of two of these tracts; one of them (which was the restriction agreement tract) comprised about 24 acres, and the other, 15 acres, making a total of about 39 acres.

n. Other events concerned with land acquisition, and especially those which occurred during operation of the Pile Project in 1946, may be found in Book IV, Volume 6, Section 10, "Real Estate."

[redacted]

This section also describes some of the problems which had not yet been solved on 31 December 1946.

c. Descriptive information relating principally to operation of the real estate after acquisition may be found in Book IV, Volume 1, Section 8, "Care of Real Estate."

4-2. Appraisals. - During the course of the land acquisition on this project, there were various sets of appraisals made of the Area in general--in addition to the special appraisals which were made of the special properties. (See Appendices E-1, E-9.)

a. Gross Appraisal. - The gross appraisal referred to previously herein was made under the direction of Mr. L. C. Chesnut and Mr. C. W. Wright, and covered by a report dated 21 January 1943 and a supplemental report dated 23 January 1943. Both reports were signed approved by Wm. W. Atwater, Reviewing Appraiser. The following 14 Engineer-Appraisers, Appraisers, Associate Land-Appraisers, Assistant Reviewing Appraiser and Chief Draughtsman assisted in making this appraisal:

R. W. Hawley	L. W. Wiley
L. M. Smith	Frank Atwood
W. J. Carrothers	C. L. Tucker
D. G. Stafford	Donn A. Biggs
H. A. Garner	A. P. Conrad
G. M. Hollebaugh	H. W. Humphrey
J. O. Bentley	Lt. C. G. Morehouse

This appraisal formed the basis for the final selection of the site and the issuance of the directive to proceed with the

acquisition of the necessary lands. (See Appendix C-1.)

b. Appraisals as of 23 February 1943. (See Appendix C-4.)

(1) For the appraisals of specific properties the work started 20 February 1943, under the direction of the Project Manager, at that time Mr. Norman G. Fuller. The following list gives the names and residences of all the appraisers who performed this work, which was substantially completed about 30 June 1943:

W. B. Wallace, Reviewing Appraiser (from Portland Sub-Office, Pacific Division), Boise, Idaho (resided at Portland, Oregon, at time of appraisals)

L. C. Chesnut, Consulting Appraiser; Spokane, Washington.

Roy W. Nelson, Assistant Reviewing Appraiser; Portland, Oregon.

Frank A. Wight, Assistant Reviewing Appraiser; Portland, Oregon (formerly resided at Spokane, Washington).

Frank T. Atwood; Lewiston, Idaho (formerly resided at Spokane, Washington).

W. S. Bartlet; Salem, Oregon.

Donn. A. Biggs; Prosser, Washington (formerly resided at Spokane, Washington).

Harold F. Brown; Gooding, Idaho.

A. P. Conrad; Spokane, Washington.

J. E. Creyle; Spokane, Washington.

Pete O. Crusen; Walla Walla, Washington.

H. L. Delaney; Spokane, Washington.

R. E. Denecw; Spokane, Washington (formerly resided at Yakima, Washington).

H. H. Henry; Woodburn, Oregon (formerly resided in Yakima Valley, Washington).

H. W. Humphrey; Spokane, Washington (formerly resided at Yakima, Washington).

Arthur E. Hyde; Sheridan, Wyoming.

D. A. McMillan; Lewistown, Montana.

John I. Preissner; Yakima, Washington.

C. D. Putz; Spokane, Washington.

Frank Rhodd; Idaho Falls, Idaho.

W. P. Shanahan; Miles City, Montana.

Cecil Smith; Yakima, Washington.

(2) The majority of these appraisers were, or had been, residents of the State of Washington, and had had more than 10 years actual appraisal experience. The group included diversified talent, such as irrigation-engineer appraisers and agricultural experts who had specialized in the particular farming practices prevalent in the Hanford Area.

(3) That these appraisers were capable and experienced is shown by their records (Appendix E-18 D-4). These same appraisers from the Federal Land Bank of Spokane were made the subject of a highly

laudatory letter from Mr. Bernard H. Ramsey, Special Assistant to The Attorney General, to Mr. R. E. Brown, President, Federal Land Bank of Spokane, dated 11 May 1943, after Mr. Ramsey had been placed in charge of all litigation in connection with this land acquisition project (see Appendix C-2).

(4) These appraisals determined the estimated fair market values of all properties as of 23 February 1943, the date of issuance of the order of possession, under the Second War Powers Act, by Federal Judge Lewis B. Schwellenbach. Extreme care was used to determine fair estimated values, as accurately and uniformly as possible. The tracts were allotted to the appraisers as much as possible in conformity with their special abilities and experience: orchards were appraised by orchard specialists; buildings by building specialists, etc. All properties were inspected and all necessary measurements were obtained. Frequent consultations were held between appraisers and reviewing appraisers. In cases of doubt, independent additional appraisals were made. Every appraisal was reviewed by a reviewing appraiser. Factors considered included: location, neighborhood, character, topography, adaptability, "highest and best use", type of soil, improvements (with dimensions, materials, condition of each), etc., but the most important factors of all were comparable sales previously made.

(5) The summary of previous sales in Appendix E-5, "Comparative Sales Data", gives the pertinent facts with regard to all sales which had been made in and near the Area during recent years

prior to the acquisition proceedings, 277 in number. From these same data a sales map (in 21 Sections--in OCE files) was prepared, showing the location and boundaries of each tract involved in those sales which could be presumed to have been entirely free and bona fide. There were a total of 182 of these reliable and pertinent sales; the other 95 sales consisted for the most part of sales by Irrigation Districts, Counties, the State of Washington, mortgage companies and estates.

(6) The value of growing crops, which would normally have been a factor in making the appraisals, was not involved in these cases, because all crops were dormant as of 23 February.

(7) Certain special properties were appraised by additional specialists employed for the purpose, as follows:

Power and pump plant of Priest Rapids Irrigation District: by Mr. L. K. Kurtichanof, Consulting Engineer, of Portland, Oregon; checked by Mr. John W. Cunningham, Appraisal Consultant.

Properties of Columbia River Telephone Co. and Kennewick Valley Telephone Co.: by Mr. Richard Grace, of Portland Sub-Office; checked by Mr. Cunningham.

Property of C., M., St. P. & P. RR.: by Mr. H. G. Butler, Consulting Engineer, of San Francisco.

Specialized buildings such as schools, churches and cold storage plant: by Mr. Richard Grace.

(Acquisition of the properties of the P. P. & L. Co. and the Benton Rural Electric Association was based on the inventory values of the respective utility districts, without separate appraisals by the War Department.)

(8) An independent spot check of the appraisals was made, starting 28 August 1943, by two local real estate men who were employed for the purpose, Mr. Harry Forsythe and Mr. Ora Sutton. They appraised 140 tracts, and the total of their values was almost identical with the total for the same tracts as first appraised (only 2.8% lower), although in the values in individual items there were varying differences which nearly balanced. (See Appendix E-17 for comparative table of these spot check appraisals.)

c. Appraisals as of Dates of Taking. (See Appendices C-4, E-12)

(1) With the issuance of the order of possession, on 23 February 1943, the War Department did not take physical possession of the land immediately, for reasons which at the time seemed to be entirely sound, in the best interest of the Government and to the advantage of all concerned. These reasons included:

(a) The status of the project did not require immediate physical possession and no disadvantage to the project or its security could result from a postponement.

(b) It was desired to accommodate the owners and to avoid the serious inconvenience which would have resulted if large numbers had been required to move out at one time.

(c) It was desired to save food to the greatest possible extent, in line with the country-wide campaign for Victory gardens during the spring and summer of 1943, and it appeared certain that this saving could be accomplished best by permitting the owners to stay on their land and harvest their crops.

(2) Because of the long period which elapsed between 23 February and the dates of declarations of taking or the dates of taking physical possession, it was determined by the Department of Justice, and agreed to by the War Department, that the appraisal values of all lands not yet optioned should be redetermined as of the earlier of the last two dates described above. The soundness of this decision was confirmed by the attitude of the court and by the action of the jury in the first cases brought to trial, when the crop values—all grown since 23 February 1943—became important factors in determining awards.

(3) The following list of the approximate dates for harvesting various crops in the area, shows how the change of date of the appraisals could affect crop values:

Asparagus - 1 April to 15 June
Alfalfa - 1 June, 15 July, 20 Aug.
Cherries - 15 June
Apples - 20 June to 15 Aug.
Apricots - 25 June to 10 July
Peaches - 15 July
Pears - 15 Aug.
Mint - 1 Sept. to 15 Sept.
Prunes - 10 Sept.
Grapes - 1 October

(4) It therefore became necessary to make new appraisals and revise the values as of the new dates, on all tracts not yet acquired. In practically all cases the new values represented increases, principally because of the crops which had been planted or grown, but also because of an upturn in values generally. The new appraisals were made for the Department of Justice by the same appraisers.

d. Re-Appraisals by Department of Justice. - The War Department was only imperfectly informed with regard to the re-appraisals which Assistant Attorney General Littell, on 13 October 1944, described to the Federal Court in Yakima, in part as having been accomplished at that time and in part as still to be accomplished. The following are excerpts from his speech relating to this subject:

"... I therefore sent out last summer one of the leading appraisers in the Government who is now on my staff, Mr. E. F. Raymon, with instructions to put an auger hole into the appraisal work which had been done on these remaining cases confronting us, 771 tracts, and see what, if anything, was wrong. He could not appraise them all in the limited time at our disposal. . . Mr. Raymon took eighty scattered tracts throughout the whole group of 771, on the sample plot basis, and on the basis of available data, pictures, and inspection of the properties, even in their present condition, Mr. Raymon reappraised these tracts..." (See Appendix E-4, pp. 9, 10)

"... The Court will surely understand that in the face of the facts which I have related in a summary manner, we cannot continue to try cases uhtil we have thoroughly re-examined the appraisal data on each of the 771 cases still remaining..." (pp. 12, 13)

"... but I am fully confident from past experience that when the remaining tracts in the Hanford project are reviewed and re-appraised, we will be able to deal right across the board with

the unpaid property owners of southeastern Washington...." (pp. 15, 16)

"...We have eighty that are in fairly good shape and ready to discuss, and they will go fairly rapidly..." (p. 16)

The facts, as known to the War Department, with respect to these re-appraisals are as follows:

(1) Mr. Raymon visited the project on 3 August 1944; he obtained a pass covering the period 3 to 10 August 1944; and during that time he inspected properties in a general way.

(2) The following appraisers may have helped Mr. Raymon with his re-appraisals:

(a) Messrs. Flanagan, Prior and Lemmie, who were engaged by the Department of Justice 15 November 1943 for the appraisal of grazing lands and ranch units only.

(b) Messrs. Fassett and Ardinger, who were not land appraisers and were engaged by the Department of Justice for the special purpose of appraising the Rivernita Fruit Growers Warehouse.

(c) Mr. C. Marc Miller, who was a former owner or co-owner of 54 tracts in the Area, and was a former employee of the War Department, serving as an appraiser in Seattle, but not as an appraiser on this project.

4-3. Negotiations.

a. In accordance with the War Department's land acquisition policies, no appraiser on the project was permitted to handle also

any negotiation for settlement. It can readily be seen that such a policy was desirable in order to prevent the possibility of collusion between owner and appraiser-negotiator to defraud the Government.

b. Separate members of the project's land acquisition staff were therefore engaged to handle all negotiations. The following were the negotiators on the project:

J. E. Bailey	E. Mittelstaedt
S. L. Coonrod	R. V. Nelson
John M. Corless	Lionel Pugmire
William F. Deeble	W. J. Sawicki
C. W. Dykes	Charles R. Stirling
O. S. Erickson	M. E. Stingley
Merrill J. Gray	A. E. Susan
J. W. Harrop	S. Y. Taylor

c. The records of these negotiators are shown in Appendix E-19 E-20. They indicate that these men were well qualified for the work. Most of the negotiators came from the State of Washington or the neighboring states of Oregon, Idaho and Montana. Many had had previous experience in handling real estate for the Federal Land Bank; others had had experience with such agencies as the Bonneville Power Administration, the Farm Security Administration, the Oregon State Tax Commission, etc. Several had been transferred to the Hanford project from other U. S. Engineers offices.

d. The War Department's Real Estate Manual strictly defines the methods and procedures to be used by its negotiators. The following

pertinent instructions are quoted from this manual: (See also App. C-7, C-9.)

"Negotiations for the purchase of a tract shall not be initiated until the appraisal of the tract has been completed. In addition, negotiations shall not be initiated in military acquisitions until notice of the approval of the directive and specific authorization to proceed with acquisition are received from the Chief of Engineers."

"Every effort must be made to option the land within the appraised value. In exceptional cases, however, an option in excess of the appraised value may be forwarded through the Division Office to the Chief of Engineers with the specific recommendations of the Division Engineer. In such cases, the optioner should be advised that the option will be accepted only if approved by the Chief of Engineers."

"The negotiator should study the background data of the project, the particular appraisal report, tract ownership, and other available data, and be entirely familiar with the property before undertaking negotiations for an option."

"It is the policy of the War Department in acquiring land to protect the interests of both landowners and tenants so far as possible..."

"Negotiations should be conducted in a fair and courteous manner and the negotiator must not resort to coercion or threats of condemnation proceedings."

"The negotiator has no authority to obligate the Government in

any manner whatsoever. He must refrain from oral promises or understandings and include all terms and conditions in the written option."

"Information contained in appraisal reports or other data furnished the negotiator must be treated as strictly confidential."

"Any interest in a tract sought to be acquired or relationship to the owner thereof shall disqualify a negotiator, as to that particular tract."

"Appraisers will not be permitted to negotiate options of a project where they have performed appraisal services."

e. As will be noted from a succeeding section of this volume, some of the landowners criticised the methods used by the negotiators, and these criticisms were taken up and repeated by others. These criticisms were published long after the events alleged, after the development of organised opposition and after the landowners had been led to believe that they were entitled to receive more than the fair market values of their properties. It would be difficult if not impossible to determine conclusively at this late date whether or not there is any sound foundation for these criticisms, based as they are on recollections of alleged oral statements. It must be recognised that the negotiators were naturally anxious to close their negotiations quickly and to persuade the property owners to agree to the War Department's offers on behalf of the Government. They would therefore have a natural tendency to stress the advantages of immediate agreement and the disadvantages of postponement and delay, but

[redacted]

there is no reliable evidence of the exercise of excessive zeal contrary to instructions or contrary to normal negotiating procedures.

4-4. Problems and Difficulties. - Because the land acquisition for this project was such a large undertaking, and because it involved the dislocation of a population of some 1,500 people, represented by more than 2,000 tracts of land, many of the problems which are normally insignificant on smaller projects assumed extreme proportions in this case. The fact that the land acquired was for the most part poor and cheap did not in any way simplify the problems of acquisition. All other considerations aside, experience has shown that the problems of acquiring poor real estate may be actually greater than those involved in the acquisition of high class real estate. It has been said that this project was subject to all known difficulties of land acquisition and many which had previously been unknown; although this statement is doubtless somewhat exaggerated, it nevertheless gives a picture which is not far from the truth.

Added to all the general and indefinable difficulties which are the inevitable accompaniment of land acquisition for the Government (especially perhaps for the Government during war time), the following may be listed as specific difficulties which hampered the acquisition procedures, tended to prevent fair agreement with the property owners, and tended to produce high prices for the land:

a. The secrecy of the project. For reasons of military security, no information was permitted to be given out to the general public about what was going on. It soon became known that E. I. duPont deNemours & Company was involved in the project and was building something

in the Area; it is understood that unchecked rumors spread among the property owners that the land was being acquired for that company and that the right of eminent domain was being misused for the benefit of private enterprise. Small details, such as the appearance of the name of the duPont Company on the identification badges of workers in the Area, tended to furnish continual reminder and confirmation of such rumors. As a result of these rumors an antagonistic attitude was developed not only in the property owners, but also in the citizens from whom the juries for condemnation proceedings were drawn.

The disadvantages of this situation could doubtless have been lessened, or the situation could perhaps have been prevented from ever arising, if the War Department had in the beginning issued some simple statement to the public conveying certain harmless facts: that the Government was acquiring the property for a War Plant and that the construction work would be performed by the duPont Company, as contractor employed by the Government. This, however, is merely hindsight, and the War Department can scarcely be blamed for not foreseeing the unexpected results of complete silence.

b. Failure of the Government to take possession immediately upon issuance of the order of possession, 23 February 1943. The War Department's reasons for postponing the taking of physical possession of the properties have already been explained in paragraph 4-2 g above: the status of the project, the desire to accommodate the owners and the desire to save food. Criticism on this point is likewise mere hindsight. The result, however, was that the difficulties of acquisition were increased, primarily because during the delay

the crops were planted and grown, the values of both land and crops increased, and the property owners were more and more influenced to believe that they could get higher prices by refusing to reach agreement with the negotiators. As has been noted earlier in this volume, new appraisals had to be made on all properties not yet optioned. (See Appendix C-11, Memorandum to Residents and Landowners, 23 April 1943.)

e. Increasing values of crops and land. It happened that during the spring and summer of 1943, which was the period of the delay in taking possession, the crops grown were exceptionally good; also during the same period the market values of crops increased generally. In a community almost entirely dependent upon farming and ranching the immediate result was a general increase in the values of land and other properties. It was perhaps inevitable under these circumstances that the property owners, subjected as they were to other influences also, should obtain exaggerated ideas of the value of their real estate, so that they tended to be not satisfied even with the increased prices offered to them as the result of the second set of estimates by the War Department's appraisers. (See Appendix E-12.)

d. Irrigation Districts.

(1) The existence of the Irrigation Districts in the Area caused a considerable number of problems and attendant difficulties. It may be that these were aggravated by the contradictions and delays in reaching final decision on the method of handling the land in these districts, but the primary causes of the difficulties were beyond control.

[redacted]

(2) In the beginning of the acquisition proceedings, it seems that there was doubt in the minds of some as to whether the assets of the Irrigation Districts were sufficient to pay off their bonded indebtedness and it was thought that liquidation of the Districts might result in a deficit. It was thought, therefore, that the landowners whose lands comprised the Districts should be required to pay off their respective shares of the bonded indebtedness from the proceeds of the sale of their property, but the amounts of these indebtednesses could not be determined beforehand. It was finally determined that the irrigation district lands should be acquired directly, subject to the bonds; the Government after acquiring all the assets and all the lands of the Districts could then pay off the bonds. After appraisal of the assets of the Districts, completed 7 August 1943, it was found that the bonds were amply covered. This final decision was not reached until 28 June 1943, and meanwhile acquisition had been proceeding on the assumption that it was necessary to condemn every tract on which an irrigation district had appeared in the chain of title. (See Appendix E-5.)

(3) During these changes and uncertainties there was much public discussion of these problems, the attorneys for the Districts and the landowners became active, with encouragement from the Federal Court, and a feeling of hostility and of having been unfairly treated became implanted in the minds of the landowners. Some of the actions which tended to add fuel to the flames in this situation were: a mimeographed letter sent out to all the landowners of the Richland Irrigation District, signed by the Board of Directors, dated

[redacted]

23 April 1943, advising the landowners that they would surrender any rights to the assets of the District if they signed an option; a separate set of appraisals of the lands of the Richland Irrigation District, made in April 1943, at the instance of the State Department of Conservation and Development, by appraisers employed by the State and by the Richland Irrigation District, setting values much higher than those of the War Department's appraisers. Also, with these outside appraisals in process of being made during the same period when the War Department was trying to negotiate settlements, there was an inevitable tendency for the landowners to refuse to deal until they could learn the values set by these appraisers. The net result was that the landowners became convinced that they were entitled to more than the War Department offered them, and this feeling spread quickly to the landowners of the Priest Rapids Irrigation District also. (See Appendix C-5.)

(4) Quite apart from the question of whether sound methods were used in negotiating the acquisition of the lands in the Irrigation Districts, it is certain that the mere existence of the Districts increased the handicaps of the project; these Districts provided nuclei, ready at hand, for the development of organized opposition to the Government's plans. The law firm of Moulton & Powell served as attorneys for both Districts and exploited the opposition to the fullest extent from the beginning of the project.

e. Rumors. In addition to the rumors evoked by the secrecy of the project, (par. a above), various other rumors which were circulated during the progress of the acquisition proceedings tended to cause further dissatisfaction among the property owners and further difficulty

in consequence. The following are perhaps typical:

(1) It was rumored that the Government was wasting a lot of money on the project. It may be that this rumor was caused by the expenditures made to remodel existing houses which were taken over with the acquired properties, in order to make them serve as residences for the project employees in the higher brackets. It is understandable that an owner whose standards of living may have been quite different should feel that some of this work was wasteful. This was an inevitable result of the situation whereby work was being performed on properties already acquired, while adjoining property, not yet taken over, was still occupied by the original owners.

(2) It was rumored that some of the landowners who had refused to option their property had been employed to take care of properties in the Area, that they refused to hire any of those who had accepted the War Department's offers and that they spent their efforts principally on the maintenance and care of the properties not yet closed. The inference was of course that this extra care would tend to increase the ultimate price paid for these properties. There is no evidence that these rumors were true but their effect on the general attitude of hostility of others is obvious.

(3) It was rumored that the cold storage and packing plant at White Bluffs was about to be put into active and efficient operation and that this would result in great benefits and increased profits to the raisers of crops. It was a fact that plans were under way for the re-equipment and operation of this plant, but as to whether

this would have materially benefited the property owners is questionable.

f. Expulsion of the Landowners. After some of the land had been taken over by the War Department, and while many of the owners and residents were still permitted to remain and cultivate and harvest their crops, it became increasingly difficult to control those who were engaged in these activities. Thievery of mature—and also green—crops was rapidly assuming serious proportions. This confused situation finally became a source of danger to the security of the project, and on 5 July 1943 an order was issued to remove all the former owners and residents from the entire fee area. This order was summarily executed on two days' notice and the effect of this action in increasing the hostility of many of the owners can readily be imagined.

g. Prison Industries, Inc. After the expulsion of the landowners, the War Department negotiated an agreement with Prison Industries, Inc., the federal organization for the direction and management of work by the civilian prisoners, for this agency to handle the care and harvesting of the crops on the land in the Government's possession, thus relieving the contractor on the project of a burdensome chore which was not directly related to his real work and responsibilities. This action still further increased the discontent and hostility of the former owners, especially as the rumor spread that the prisoners were doing a very poor and very wasteful job with the crops. There appears to have been no foundation for this rumor; on the contrary, all evidence seems to indicate that on the whole the work was satisfactorily and capably performed, although it could hardly be

expected that the prisoners could obtain quite the same results as the former owners of the land themselves could have done.

h. Accusations of High Pressure Tactics, Unfairness, Errors, etc., against the War Department.

(1) These accusations were made by various persons, principally by the landowners, by their attorneys and by the Assistant Attorney General. They seem obviously to have been believed by the jurors who served in the condemnation trials.

(2) At an open hearing in the Federal Court on 4 May 1943, some of the landowners, and also Mr. Charles A. Powell, their attorney, made charges that the War Department was delaying payments to the landowners and that the Department's negotiators were using high pressure tactics, flag-waving and false promises. At this same hearing Judge Schwellenbach expressed stern criticism of "lengthy government procedures" during a discussion with the Project Manager. These matters received wide publicity in the local newspapers, and there can be no question but that other charges of the same kind must have received wide circulationsalso without necessarily being published. Such charges obviously tended to widen the gulf between the War Department and the landowners.

(3) In an effort to remove all possibility of further criticism of the negotiators, the Project Manager sent out, starting 7 May 1943, a form letter to each of the property owners with whom settlement had not yet been reached. With this letter was inclosed, for signature, an option form on which was entered the price offered by the War Department, and the letter stated that "if we do not receive

a response from you within seven (7) days from your receipt of this letter, it will be necessary that we assume you have elected not to accept the price which this office is authorized to pay you"; in that event, the letter continued, "it will be necessary for this office to forward recommendation that the authorized amount be deposited in the registry of Federal Court." As might be expected, this attempt to negotiate by mail was not a complete success (about 100 options were obtained by mail) and it seems probable that this procedure increased the difficulties of reaching agreement. There is an enormous difference between "high pressure tactics" on the one hand and the impersonal request of a form letter on the other hand. The actual methods of the War Department's negotiators, who attained the numerous fair and reasonable settlements requiring no court proceedings, lay between these two extremes, and properly so. (See Appendix C-3)

(4) With respect to the cases which still remained unsettled on 13 October 1944, it is certain that the speech of Assistant Attorney General Littell to the Federal Court on that date, with its criticisms of the "basic errors" in the War Department's appraisals, must have increased the difficulties of reaching fair and reasonable settlements. He criticised the jury awards also, it is true, but this could not counteract the effect of his previous criticism. (App. E-4.)

1. Delays in Partial Payments.

(1) The importance of prompt payment of landowners, at least in part, cannot be over-emphasized. This fact was realized by the War Department early in the program of land acquisition for

war purposes, and through the efforts of the Department a system was set up whereby procedures were simplified and accelerated to the greatest possible extent. On the normal land acquisition projects this system has worked well, and the dispossessed landowners have quickly received either full payment if they reached agreement, or partial payment if they did not, so that they had money to finance their moving to other locations.

(2) On this project, the partial payments on tracts which were condemned were subject to considerable delay. The first petition for partial disbursement was presented to the Court on 29 May 1943, and payment thereon was not made until July. This was a material factor in increasing the opposition of the landowners.

(3) The delays in partial payments in cases of condemnation were in marked contrast to the speedy settlement of the payments on tracts obtained by option.

(4) Factors over which the War Department had no control contributed to the delays in making partial payment: the great size of the project and the large number of cases involved; the insistence of the Federal Court upon a completely clear title before granting any partial distribution, although payment could have been made without risk on what was normally regarded as an "ordinary, marketable title".

j. Condemnation Trials. The excessively high awards named in some of the jury verdicts unquestionably raised exaggerated hopes for other landowners. In some cases these verdicts have been in excess of the highest estimates given in the testimony at the trials. These extraordinary results would seem to indicate either improper preparation and inefficient handling of the cases by the attorneys for the

government or else an inexplicable prejudice in the attitude of the jurors. In any case, these results have multiplied the difficulties. (See Appendix D-3.)

It is evident that except in a few of the items enumerated above the War Department had no effective control over the causes of the difficulties which hampered the land acquisition on this project. Even in these few items, although hindsight shows that different courses of action might have alleviated the situation, the effect of the action which was taken could not have been definitely foreseen and different courses of action could not have been reasonably expected at the time.

Many of the difficulties which arose could not be blamed on any individual or any agency. As Mr. Norman M. Littell remarked in his speech to the Federal Court on 13 October 1944, "the result was the most complicated and difficult lot of valuation problems I have seen in the entire war effort, several of the principal factors being beyond anyone's control..." (Official transcript, pp.5, 6) See Appendix E-4,

4-5. Responsibilities and Relationships of War Department and Department of Justice. - Under normal conditions, the relationship between the War Department and the Department of Justice in connection with land acquisition was analogous to the usual relationship of client and counsel. All official action outside the courts was normally taken by the War Department, on the responsibility of that Department, but with the approval of the Department of Justice as to the validity of titles; all action in court was taken by the Department of Justice on behalf of and with the approval of the War Department.

Except during a stage of the Hanford project during which serious

disagreement arose between the War Department and the Department of Justice, as indicated previously herein, this normal relationship prevailed. All the earlier direct purchases by option were accomplished by the War Department on its own responsibility, in accordance with the appraisals made by its own appraisers, which were obtained from the Federal Land Bank but employed by the War Department, and with the approval of the Department of Justice as to the validity of titles. When the Department of Justice recommended that the appraisals should be made as of the date of filing of declaration of taking or as of the date of taking physical possession, whichever was earlier, the War Department agreed and arranged for revised appraisals to be made accordingly, placing their appraisers at the disposal of the Department of Justice. After the filing of declarations of taking the War Department continued to obtain, through its own negotiators, settlements by stipulation, and there was full cooperation between the representatives of both Departments in the field, both in and out of the court room.

SECTION 5 - PROGRESS OF ACQUISITION

The progress of the work of acquisition in fee, of leasing and of obtaining restriction agreements and permanent easements is best measured from the records of these operations on the basis of numbers of tracts. This progress is shown graphically by progress charts in Appendix B.

5-1. Acquisition in Fee. - Chart 1, Appendix B-1, shows by separate curves the cumulative numbers of tracts acquired by option, without any court action, and by stipulation or condemnation award after declaration of taking had been filed; another curve shows the summation of these two curves, representing the total numbers of tracts settled. Some of the effects of various events on the acquisition operations are indicated by notations of these events on the chart above the curves.

The curve of total number of tracts settled, in fee, divides itself automatically into four parts:

a. A period of about 7 months, from about the middle of March 1943 (when the preliminary work of organization, etc., was completed) to early in October 1943, during which progress was excellent, with an average rate of about 108 settlements per month maintained. Various events, as shown, occurred during this period and tended to slow down the progress; these events culminated in the first condemnation trial, which started on 7 October 1943. Thereafter the curve of progress broke sharply.

b. A period of somewhat more than 6 months, from October

1943 to April 1944, during which the progress was very slow, with an average of less than 7 settlements per month (during the latter part of this period the rate of progress was practically zero). At the end of this period came the agreement between the War Department and the Department of Justice, 24 April 1944, with its relaxation of the restrictions on settlements by stipulation out of court. Thereafter the curve of progress broke and again started upward, this time however, composed almost entirely of stipulations and awards, with an almost negligible number of options.

c. A period of about 10 months, from April 1944 to February 1945, during which a rate of about 75 settlements per month was maintained. During the last four months of this period the rate diminished to an average of about 40 per month, reflecting the results of the difficulties between the War Department and the Assistant Attorney General, which were then beginning to produce an effect on the records of accomplishment.

d. A period of about four months from February to June 1945, during which progress first slowed down materially and then turned briskly upward, attaining during the last month of this period a rate of 103 settlements, nearly equal to the best rate of the project. These changes in the progress can probably be best explained as evidencing, first, the full effects of the interdepartmental difficulties and the cessation of court trials, and, second, the effects of the resumption of normal procedures, with the immediate settlement of a number of cases which had been awaiting action.

e. The balance of the period with which this history is concerned, about 18 months, from June 1945 to December 1946. During this period, progress on the whole was comparatively slow, with considerable variations between different parts of the period. Some of these variations were doubtless influenced by the progress of the war - the cessations of hostilities in the two main theaters of operations and the events which preceded them. As might be expected, the general trend of the curve at the end is steadily downward. As previously stated, 237 tracts remained unsettled at the end of the year 1946.

5-2. Leasing. - Chart 2, Appendix B-2, shows the progress of the leasing operations by cumulative numbers of tracts. Except for preliminary preparations, this part of the work did not actually get under way until near the end of the summer of 1943. Because fee acquisition held first priority and because possession of the leased areas was not required - by the program for the Pile Project as a whole - until later, the negotiators prosecuted the leasing operations, in general, only when they had time available. This worked out satisfactorily, as is evidenced by the efficiency of accomplishment and the low average rental costs. The first 15 leases obtained were recorded on 15 September 1943, and the curve on the chart shows excellent progress at a nearly uniform rate of about 88 leases per month for about 9 months, until June 1944, when a total of 705 was recorded. At that time the progress broke sharply, and continued, at an average rate of only about 5 per month, until the total of 866 had been obtained at the end of 1946. The same conditions and events which caused the sudden break

in the progress of obtaining options probably also affected the leasing operations, but it is interesting to note that in the case of the leases the cessation of results was not so nearly complete and that it lagged some months behind. It was usually necessary, if leasing negotiations failed, to acquire the property in fee by condemnation, and in a few cases condemnation procedures were required because of title defects. (Reference is made to the next section hereinafter for further information on leasing.)

5-3. Restriction Agreements and Permanent Easements. - Chart 2, Appendix B-2, shows a separate curve of progress in obtaining Restriction Agreements. The program for the Pile Project as a whole permitted a still lower priority for this part of the work. No particular difficulty was experienced in obtaining these agreements. All but 4 of them were recorded on 15 December 1944, and the final total, 258, had been obtained by April 1945.

The permanent Easements are not shown on the curves. Only 85 tracts, comprising about 651 acres were involved.

(Reference is made to the next section hereinafter for further information on restriction agreements and permanent easements.)

SECTION 6 - LEASES, RESTRICTION AGREEMENTS AND PERMANENT EASEMENTS

Map No. A-3 (Appendix A-3) shows in color the portions of the Area which are subject to lease, and the portions which are subject to restriction agreements. It indicates also, for the most part, by identification of highways and railroads, etc., the portions which are subject to permanent easements.

6-1. Leases.

a. According to estimates as of 31 December 1946 the total area to be leased comprised about 183,878 acres, in 866 tracts, representing approximately 500 owners. Some tracts, although located in the area designated for leasing, have been acquired in fee, but these are all special cases of improved properties. The total annual rental was estimated as about $20,000 or an average of about 10.6 cents per acre.

b. As previously stated, possession of the leased areas was not required immediately, and, except for preparation, the work of obtaining leases was held in abeyance until late in the summer of 1943.

c. On 23 April 1943 the Federal Court granted an order of possession to take effect 15 November 1943. Early in August 1943 appraisals of the lease area had been completed and the rental values had been established. The leases provide renewal terms which could, at the will of the Government, run for 25 years (or, in some cases, until six months after the termination of the National Emergency) but could be cancelled by the Government on 90 days notice. These provisions were taken into

consideration in determining the rental values. (See Appendix C-8.)

d. With few exceptions the leases covered lands which were unimproved grazing lands. Title defects proved to be the principal difficulty but these resulted in a relatively small number of declarations of taking.

e. The status of the leasing work as of 31 December 1946 was:

LEASES

Type of Ownership	Tracts	Acreage
Private	667	122,770
State	69	25,685
Counties	65	15,792
Irrigation Districts	11	171
Railroad	54	24,460
Total	866	188,878

6-2. Restriction Agreements.

a. The lands over which the War Department required only partial control were made subject to a special form of War Emergency Restriction Agreement of which a copy is shown in Appendix C-9. The restrictions, which were set up for security purposes, were to continue for the duration of the war and for six months thereafter, but could be terminated earlier by the Government.

(A part of paragraph (2) of the standard form of restriction agreement contains the provision "That during the period aforesaid the Owner...will make or allow no use to be made thereof" (of the Owner's land) "that may result in any increase in population of

the area in which said land is located." This clause inevitably became the subject of much humorous comment in the Area.)

b. The total area covered by the restriction agreements comprised 40,660 acres, in 258 tracts representing more than 100 owners. The standard price established for these agreements was $1.00 per tract, although in some cases joint ownership required duplicate payments. The total cost of the agreements was $223 or about .55 of a cent per acre.

c. As in the case of leasing, the negotiation of restriction agreements was prosecuted only when the negotiators had time available from their major work of fee acquisition. Negotiation of the agreements therefore extended over a considerable period; the results were however, entirely satisfactory, and it was necessary to condemn leaseholds (as an alternative) on only a few tracts, and most of the condemned tracts were owned by persons whose whereabouts could not be learned. The negotiation of restriction agreements was completed about 1 April 1945.

6-3. Permanent Easements.

a. Some lands in each category of desired control (acquisition in fee, lease, restriction agreement) were subject to permanent easements, held by various types of owners, for highways, transmission lines, telephone and telegraph lines and railroads. It was necessary to acquire separately the permanent easements on the lands subject to lease or restriction agreement, amounting to a total of 651 acres, in 85 tracts, from 34 owners. The negotiation of these easements was also prosecuted as time permitted during the major work of fee acquisition.

b. The status of acquisition of these permanent easements as of 31 December 1946 was as follows:

PERMANENT EASEMENTS

Type of Ownership	Tracts	Acreage
Private	57	455
State	13	79
Counties	9	78
Irrigation District	1	1
Railroads	5	38
Total	85	651

SECTION 7 - ESTIMATED COSTS

7-1. At the end of the year 1946, although the Manhattan District was in possession of the entire Area of the site, the work of acquisition was not yet completed. As previously stated there were 237 tracts still awaiting determination of court awards with their final costs still unknown. The tabulation which follows includes the known costs as of 31 December 1946, the amounts deposited for the lands not yet settled and an estimated allowance for awards in excess of these deposits - in excess of the fair market values as determined by the War Department. (See Appendices E-10, E-11.)

ESTIMATED COSTS,

as of 31 December 1946

Purchases - Options	$1,596,850
Condemnations - Disbursements (31 Dec. 1946)	3,435,975
Deposited (31 Dec. 1946), for Future Awards	85,637
Estimated Future Deficiencies	30,000
TOTAL COST	$5,148,462

7-2. This estimate does not include administrative costs. Nor does it include any leasing costs, of which the approximate total annual rental cost (about $20,000) has been mentioned elsewhere herein.

7-3. The directive for acquisition, as amended 5 June 1944, gave an estimated total cost of $8,453,355, but this estimate contained two contingent items which have not yet materialised (the relocation

of transmission lines and the relocation of a State Highway), which amounted to $2,800,000. With these contingent items deducted, the directive estimate was $5,653,355, indicating that the actual total cost will probably be less than this estimate.

7-4. The following miscellaneous revenues from real estate operations were obtained during the course of the project:

Crop Sales	$2,550.00
Salvage Sales	32,426.00
Outgrants	4,325.00
	$39,301.00

(See Appendix E-14.)

SECTION 8 - ACCOMPLISHMENTS

8-1. The general accomplishments of those responsible for this land acquisition project may be briefly described as follows:

a. The attainment of the necessary ownership or control over a site of exceptional size, which was excellently suited to the predetermined requirements of the operations of the Hanford Engineer Works--better suited, in fact, than any other known site.

b. The attainment of that ownership and control within the period of time which was required and available, at an overall cost which was reasonable, despite all the difficulties and complications which arose.

c. The surmounting of numerous difficulties and obstacles, which arose principally from the size and nature of the project, the speed with which it was necessary to proceed, and the secrecy with which the project was necessarily surrounded.

8-2. That a few landowners who had to move from their homes suffered real hardships and that a few landowners have received, in condemnation, excessive prices for their property cannot be denied. The causes of these inequities were inherent in the nature of the project, in the laws governing the acquisition procedures of the Government, in the laws of nature (which governed the weather and the crops), and in human nature itself. In view of all circumstances, it is noteworthy not that some hardships and inequities occurred, but that they were so few and so insignificant by comparison and that such a very preponderant part of the project was consummated so efficiently, fairly and economically.

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